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**THE DIVIDEND POLICY AND PAYOUT RATIO DIVIDEND DECISIONS: AN  
EMPIRICAL EVIDENCE FROM EMPLOYEES PROVIDENT FUND MALAYSIA  
AND PERBADANAN NASIONAL BERHAD**

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***Project Leader***

Nelson Lajuni

***Project Members***

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Minah Japang

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Jude Woryanta Taunson



**THE DIVIDEND POLICY AND PAYOUT RATIO: EMPIRICAL EVIDENCE  
FROM EMPLOYEES PROVIDENT FUND AND PERMODALAN NASIONAL  
BERHAD.**

**ABSTRACT**

The purpose of this research to analyze the pattern of Employees Provident Fund's and Permodalan Nasional Berhad's dividend payments versus earnings, to observe the trend of dividend distributions of these three government-linked investment companies by looking at the dividend yield and dividend payout ratio, and to analyze the relationship of financial and performance factors with dividend distribution in two important investment institutions in Malaysia namely the Employees Provident Fund (EPF) and Permodalan Nasional Berhad (PNB) through its wholly subsidiary Amanah Saham Nasional Berhad. Additional statistical analyses were presented. The results suggest that government link companies of the surveyed companies have paid dividend during the fifteen years (1985-2008), whilst the mean of EPS increased from 0.015 in year 2001 to over 0.10 in year 2005 (6 times). An examination of the t-values indicates that GDP did not contribute towards EPF, ASB, and ASN dividend payouts. This finding however indicates several patterns. First, the identified financing patterns put in perspective the exposure of the financial sector to investment-related risks but, against a background of concerns about suboptimal allocation of capital, bring to the fore corporate governance, dividend policy, and transparency and accountability of public funds. Second, the findings suggest policy adjustments that would help in achieving the government's goals of improving the quality of growth and increasing the role of consumption. Third, long term saving prospects and the impact of financial sector and pension policies are discussed. The findings of the study might be of interest to academicians and practitioners. This paper explores the dividend policy in two important government-linked companies in a fast-growing market that has received inadequate research attention. The paper thus adds to the body of accounting knowledge.

Keywords: Dividends, EPF, PNB, ASB, ASN, Earnings



**KEPUTUSAN POLISI DIVIDEN DAN NISBAH PEMBAYARAN: BUKTI  
EMPIRIKAL DARIPADA KUMPULAN WANG SIMPANAN PEKERJA DAN  
PERMODALAN NASIONAL BERHAD**

**ABSTRAK**

Kajian ini bertujuan untuk menganalisa corak pembayaran dividend dan pendapatan oleh Kumpulan Wang Simpanan Pekerja dan Permodalan Nasional Berhad, untuk melihat trend pengagihan dividen dan pendapatan dan mengkaji hubungkait dividen, pendapatan serta Keluaran Dalam Negara Kasar (KDNK) bagi dua institusi penting di Malaysia iaitu Kumpulan Wang Simpanan Pekerja (KWSP) dan Permodalan Nasional Berhad (PNB) melalui subsidiari penuh miliknya iaitu Amanah Saham Nasional Berhad. Analisis statistik tambahan dipersembahkan. Dapatan kajian menunjukkan syarikat berkaitan dengan kerajaan telah membuat pembayaran dividen selama 15 tahun (1985-2008), bermakna EPS meningkat daripada 0.015 dalam tahun 2001 kepada lebih 0.10 pada tahun 2005 (6 kali). Kajian ke atas t-values menunjukkan KDNK tidak menyumbang kepada kadar pembayaran dividen KWSP, ASB, and ASN. Walau bagaimanapun, dapatan kajian menunjukkan beberapa corak. Pertama, corak pembiayaan meletakkan perspektif sektor kewangan kepada pendedahan risiko berkaitan pelaburan namun, bertentangan dengan hal berkaitan dengan peruntukan *suboptimal* modal, yang membawa kepada tadbir urus korporat, polisi divident dan ketelusan and akauntabiliti dana awam. Kedua, dapatan kajian mencadangkan pelarasan polisi yang membantu matlamat kerajaan dalam memperbaiki kualiti pertumbuhan dan peningkatan penggunaan. Ketiga, prospek simpanan jangka panjang dan impak sektor kewangan dan polisi persaraan dibincangkan. Dapatan kajian dilihat mampu menimbulkan minat di kalangan ahli akademik dan pengamal industri. Kajian ini menerokai polisi divident dua syarikat penting berkaitan dengan kerajaan pada pasaran yang pantas bertumbuh yang kurang mendapat perhatian penyelidikan sebelum ini. Oleh sebab itu, kajian ini dilihat dapat menyumbang kepada ilmu yang sedia ada.

**Keywords:** Dividen, EPF, PNB, ASB, ASN, pendapatan

